

IN THE MATTER OF CLEAR CABLE)	<u>CABLE TELEVISION</u>
INC. D/B/A/ ADELPHIA CABLE)	
COMMUNICATIONS FILING OF FCC)	
FORM 1240 ANNUAL UPDATING OF)	
MAXIMUM PERMITTED RATES FOR)	
REGULATED CABLE SERVICE AND IN)	
CONNECTION THEREWITH, FORM)	
1205 DETERMINING REGULATED)	
INSTALLATION AND EQUIPMENT)	STATE OF NEW JERSEY
COSTS USING THE OPTIONAL)	BOARD OF PUBLIC UTILITIES
EXPEDITED RATE PROCEDURES)	BPU DOCKET NUMBERS CR00040247
		CR00040248

STIPULATION OF FINAL RATES

The undersigned parties, as a result of a review of the FCC Forms 1240 and 1205 and timely filed public comments in these matters hereby stipulate to the following findings of fact and conclusions of law for consideration by the Board of Public Utilities ("Board"); and

As part of the Optional Expedited Rate Procedures (Approved January 12, 1996, Docket No. CX95120636), Clear Cablevision d/b/a Adelphia Cable Communications (Petitioner) agreed to waive the Company's litigation rights at the Office of Administrative Law ("OAL") in these proceedings. It should be noted that Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the Federal Communications Commission ("FCC") rules nor did it affect the Company's right to appeal in that forum.

WHEREAS, the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992), codified at 47 U.S.C. § 543 et seq., (the "Federal Act"), classified the delivery of cable television services into two separate rate regulated categories: (i) "basic service" (consisting primarily of "off-the-air" and public educational and governmental channels) and associated equipment and installation and (ii) cable programming services ("CPS") (consisting of other tiers of channels) and associated equipment; and

WHEREAS, under the Federal Act, basic service is regulated by the "franchising authority," and

WHEREAS, under the provisions of the New Jersey Cable Television Act ("New Jersey Act"), N.J.S.A. 48:5A-1 et seq., the franchising authority is the Board of Public Utilities; and

WHEREAS, the Federal Act required the FCC to issue regulations governing the standards to be used by franchising authorities in regulating basic service rates; and

WHEREAS, under the regulations adopted March 30, 1994, 47 C.F.R. § 76.900 et seq., a cable operator may adjust its rates by electing the annual rate adjustment system under the regulations adopted September 15, 1995 (47 C.F.R. § 76.922) by filing a Form 1240 and a Form 1205 on the same date; and

WHEREAS, on April 28, 2000, Petitioner, serving subscribers residing within the Cedar Bonnet

Island franchise community, filed a Form 1240, Docket Number CR00040247, with the Board, seeking approval of an annual rate adjustment in its Maximum Permitted Rates to reflect an adjustment for inflation and programming costs for a total increase of 7.2% for the period from August 1, 2000 to July 31, 2001, for an increase in the Maximum Permitted Rate from \$23.75 to \$25.47, exclusive of franchise fees, which would result in a total increase in the Maximum Permitted Rate for basic service of \$1.72 per month; and

WHEREAS, on the same day, Petitioner, serving subscribers residing within the Townships of Barnegat, Berkeley, Dover, Eagleswood, Lacey, Little Egg Harbor, Manchester, Ocean and Stafford (Cedar Bonnet Island), the Boroughs of Beachwood, Island Heights, Lakehurst, Ocean Gate, Pine Beach, South Toms River and Tuckerton, filed a Form 1205, Docket Number CR00040248, with the Board, seeking approval of regulated installation and equipment rate adjustments listed on the attached Schedule A; and

WHEREAS, the parties upon review of the FCC Forms 1240 and 1205, supporting documentation and schedules thereto agree that the proposed rates are just and reasonable; and

WHEREAS, the Staff, the Ratepayer Advocate and the Company have engaged in discussions of these matters; and

WHEREAS, the Staff, the Ratepayer Advocate and the Company have concluded that the Company is entitled to the above-referenced adjustments which it seeks in its FCC Form 1240 and 1205 filings;

NOW, THEREFORE, Staff, the Ratepayer Advocate, and the Company hereby STIPULATE AS FOLLOWS:

1. The Company notified its customers of the proposed rate changes via newspaper announcements and has informed them of their opportunity to submit written comments for a period of thirty (30) days.
2. The effective date for the increase in the Maximum Permitted Rate for basic service due to inflation and programming costs under Docket Number CR00040247 and for rate changes in equipment and installation costs under Docket Number CR00040248 was August 1, 2000.
3. These stipulated rate changes shall be subject to the approval of the Board and all revenues collected as a result of these adjustments shall be subject to refund, pursuant to the rules and regulations of the FCC as well as those of the Board if the Board finds these rate changes to be unjustified in whole or in part or in any way implemented improperly.
4. This Stipulation of Settlement resolves all issues raised by the filings which are the subject of the within matter.
5. The signatories agree that, except as expressly provided herein, this Stipulation has been

made exclusively for the purpose of this proceeding and that the Stipulation contained herein, in total or by specific items, is in no way binding upon the parties in other proceedings before the Board or in other forums or jurisdictions, nor are the contents of this Stipulation, in total or by specific items, by inference, inclusion, or deletion, in any way to be considered or used by another party as any indication of the position of any party hereto on any issue litigated or to be litigated in other proceedings.

This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the parties expressly and jointly state that they would not have signed the agreement had any term been modified in any way. Each party is entitled to certain procedures in the event that any modification is made to the terms of this Stipulation. The signatory parties each must be given the right to be placed in the position it was in before the Stipulation was entered. Therefore, if any modification is made to the terms of this Stipulation, it is essential that each party be given the option, before the implementation of any new rate resulting from this action, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached.

The parties believe these provisions are fair to all concerned and therefore, they are made an integral and essential element of this Stipulation. This being the case, all parties expressly agree to support the right of any other party to this Stipulation to enforce all terms and procedures detailed herein.

GLORIA J. FURLONG
OFFICE OF CABLE TELEVISION

DATED:

By: _____
Supervising Administrative Analyst

BLOSSOM A. PERETZ, DIRECTOR
DIVISION OF THE RATEPAYER
ADVOCATE

DATED:

By: _____
Christopher J. White
Assistant Deputy Ratepayer Advocate

CLEAR CABLEVISION, INC. D/B/A
ADELPHIA CABLE COMMUNICATIONS

DATED:

By: _____
Craig A. Schmid
Director of Regulation